

Subject: MERIT SALARY ADJUSTMENT (MSA)

REFERENCES	SECTIONS
Classification and Pay (C & P) Guide	240
Law & Regulation <a href="http://www.dpa.ca.gov/statesys/dpa/laws.htm">http://www.dpa.ca.gov/statesys/dpa/laws.htm</a>	GC: 19832-19835.5, 19836 Rule: 599.682-599-684, 599.687
Memo of Understanding (MOU) <a href="http://www.dpa.ca.gov/collbarg/contract/bumenu.shtm">http://www.dpa.ca.gov/collbarg/contract/bumenu.shtm</a>	Refer to Employee's MOU
Pay Scales <a href="http://www.dpa.ca.gov/jobinfo/pay_scales/toc.shtm">http://www.dpa.ca.gov/jobinfo/pay_scales/toc.shtm</a>	9
Responsible Control Agency and Program	Department of Personnel Administration

## Merit Salary Adjustment (MSA)

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<b>Definition</b>	A merit salary adjustment (MSA) is a one-step (5 percent) increase in the salary of an employee who is not paid at the maximum step of their salary range and has met the standards of efficiency required of the position.
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<b>Policy</b>	<p>If the appointing authority certifies in the manner prescribed by the Director of the Department of Personnel Administration (DPA) that the employee has met the standards of efficiency required for the position, the employee who is not paid at the maximum step of the salary range shall receive a merit salary adjustment equivalent to one step in the salary range provided that rate does not exceed the maximum salary rate effective on the first of the monthly pay period next following completion of:</p> <ul style="list-style-type: none"><li>(a) Twelve months of qualifying service after:<ul style="list-style-type: none"><li>(1) appointment; or</li><li>(2) last merit salary adjustment; or</li><li>(3) last special in-grade salary adjustment; or</li><li>(4) movement between classes which resulted in a salary increase of one or more steps; or</li></ul></li><li>(b) The number of months of qualifying service as provided by DPA after movement between classes which resulted in a salary increase of less than one step. The DPA shall provide that the number of months of qualifying service be proportionately reduced from 12 to the number of months that will permit the employee to receive approximately the same annual salary the employee would have received with a one-step increase</li></ul>
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<b>Granting MSA</b>	If the supervisor is granting an MSA, the supervisor must complete the Supervisor Certification of Salary Adjustment form (GS 609) indicating the employee has met the quality and quantity of experience required of the position. The form is submitted to the Personnel Specialist (PS) in the Office of Human Resources (OHR) Personnel Transactions Unit (PTU) prior to Master Payroll Cutoff in the month the MSA is effective.

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## Merit Salary Adjustment (MSA), Continued

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### Denying MSA

Pursuant to DPA Rule 599.684, when an employee has not met the standards of efficiency required for the position, the supervisor **shall** recommend that the MSA not be granted. The supervisor completes the GS 609 indicating the employee does not meet the level of quality and quantity expected at this stage of his/her experience in the position. The GS 609 is submitted to the PS in the PTU for processing.

The employee must be notified in writing of the denial within ten days of the effective date of the salary adjustment. A copy of denial notice must be attached to the GS 609 when submitted to the PS.

**Note:** An employee **cannot be denied** his/her MSA increase because they are out on an approved workers' compensation claim. When an employee is out on an approved workers' compensation claim, an MSA can only be denied for **time prior to the claim or after his/her return to work**, based on attendance or performance issues. This means that an employee, who has been approved for Workers' Compensation for over a year, will continue to receive MSAs although s/he have not been working. You cannot penalize an employee because s/he is off on a job related injury.

### Appeal

Typically, an employee's performance will be reviewed for reconsideration of the MSA after a minimum of a three-month period has elapsed. The employee may file a written request with his/her supervisor for reconsideration under the DGS' grievance procedure within ten days after being informed that the MSA will not be recommended. The employee may appeal to the DPA within fifteen days after having exhausted the departmental remedy.

### MSA for limited-term employee

The ability to grant/deny an MSA to a limited-term employee, with no prior civil service, is at the appointing power's discretion (DPA Rule 599.682, GC section 19836).

### Attachment

[Supervisor Certification of Salary Adjustment \(GS 609\)](#)